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LOUISIANA TECHNICAL COLLEGE TALLULAH FOUNDATION

FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2005

With

REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 3/7/07

THE HALFORD FIRM, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

LOUISIANA TECHNICAL COLLEGE TALLULAH FOUNDATION

FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2005

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LOUISIANA TECHNICAL COLLEGE TALLULAH FOUNDATION
FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2005

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INDEPENDENT AUDITOR'S REPORT

THE HALFORD FIRM, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

Members
American Institute of
Certified Public Accountants

Mississippi Society of
Certified Public Accountants

Louisiana Society of
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Louisiana Technical College Tallulah Foundation
Tallulah, Louisiana

We have audited the accompanying statement of financial position of Louisiana Technical College Tallulah Foundation (a nonprofit organization) as of December 31, 2005, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Louisiana Technical College Tallulah Foundation as of December 31, 2005, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Halford Firm, PLLC

Tallulah, Louisiana
October 5, 2006

BASIC FINANCIAL STATEMENTS

LOUISIANA TECHNICAL COLLEGE TALLULAH FOUNDATION
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2005

ASSETS

CURRENT ASSETS:

Cash - unrestricted	\$ 146,503
Cash - temporarily restricted	2,852
Property and equipment (less accumulated depreciation of \$165)	<u>1,485</u>
Total current assets	<u>150,840</u>

TOTAL ASSETS

\$ 150,840

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Accounts payable	142,532
Payroll taxes payable	<u>1,851</u>
Total current liabilities	<u>144,383</u>

NET ASSETS:

Unrestricted, available for general activities	3,605
Temporarily restricted for specific purposes	<u>2,852</u>
Total net assets	<u>6,457</u>

TOTAL LIABILITIES AND NET ASSETS

\$ 150,840

The accompanying notes are an integral part of these financial statements

**LOUISIANA TECHNICAL COLLEGE TALLULAH FOUNDATION
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2005**

UNRESTRICTED NET ASSETS

Support:

Received from HUD
Contributions

\$ 54,250
1,270

TOTAL SUPPORT

55,520

Net assets released from restrictions

580

TOTAL UNRESTRICTED SUPPORT

56,100

EXPENSES

Program services:

HUD

44,466

Foundation

5,253

Youthbuild

635

Supporting services:

Management and general

6,647

TOTAL EXPENSES

57,001

**INCREASE (DECREASE) IN UNRESTRICTED
NET ASSETS**

(901)

TEMPORARILY RESTRICTED NET ASSETS

Net assets released from restrictions

(580)

**INCREASE (DECREASE) IN TEMPORARILY
RESTRICTED NET ASSETS**

(580)

INCREASE (DECREASE) IN NET ASSETS

(1,481)

NET ASSETS, beginning of year

7,939

NET ASSETS, end of year

\$ 6,458

The accompanying notes are an integral part of these financial statements

LOUISIANA TECHNICAL COLLEGE TALLULAH FOUNDATION
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2005

CASH FLOWS FROM OPERATING ACTIVITIES

Decrease in net assets	\$ (1,481)
Adjustments to reconcile decrease in net assets to net cash used by operating activities	
Depreciation	165
Increase (decrease) in operating liabilities	
Accounts payable	142,532
Payroll taxes payable	<u>1,851</u>

NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>143,067</u>
--------------------------------------------------	----------------

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of equipment	<u>(1,650)</u>
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NET CASH USED IN INVESTING ACTIVITIES	(1,650)
----------------------------------------------	---------

INCREASE (DECREASE) IN CASH	141,417
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CASH, beginning of year	<u>7,938</u>
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CASH, end of year	<u><u>\$ 149,355</u></u>
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The accompanying notes are an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

LOUISIANA TECHNICAL COLLEGE TALLULAH FOUNDATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2005

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Nature of Activities

The Louisiana Technical College Tallulah Foundation is a non-profit organization which provides financial assistance to students attending the Tallulah campus of Louisiana Technical College. The Foundation is funded primarily by a federal grant from the U.S. Department of Housing and Urban Development.

B. Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting. The accrual basis of accounting records revenue in the period earned rather than when received and records expenses in the period incurred rather than when paid.

C. Donated Material and Services

No amounts are reflected in the statements for donated materials and services.

D. Equipment

Purchased equipment is stated at cost. Depreciation is provided using the straight-line method over the estimated useful lives of the assets.

E. Income Tax Status

The Foundation qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes.

F. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers all highly liquid investment instruments purchased with a maturity of three months or less to be cash equivalents. There were no cash equivalents at December 31, 2005.

LOUISIANA TECHNICAL COLLEGE TALLULAH FOUNDATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2005

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Net Assets

Net assets of the Foundation are reported as unrestricted (no donor restrictions) or temporarily restricted (based on the existence of donor restrictions).

H. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

I. Allocation of Supporting Expenses

Expenses have been allocated among program and supporting services classifications on the basis of internal records and estimates made by the Foundation's management.

NOTE 2. DEPOSITS WITH FINANCIAL INSTITUTIONS

At December 31, 2005, the Center had cash deposits in excess of insurable limits of \$47,083. These deposits consisted of \$140,984 erroneously deposited into the Foundation's bank account during 2005 as a result of a bank error. These deposits were subsequently withdrawn from the bank account in January, 2006.

NOTE 3. PROPERTY AND EQUIPMENT

A summary of changes in general fixed assets for the year ended December 31, 2005, follows:

	<u>12-31-04</u>	<u>Additions</u>	<u>Disposals</u>	<u>12-31-05</u>
Office Equipment	\$ -0-	\$ 1,650	\$ -0-	\$ 1,650
Less accumulated depreciation	<u>-0-</u>	<u>165</u>	<u>-0-</u>	<u>165</u>
	<u>\$ -0-</u>	<u>\$ 1,485</u>	<u>\$ -0-</u>	<u>\$ 1,485</u>

LOUISIANA TECHNICAL COLLEGE TALLULAH FOUNDATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2005

NOTE 4. CONCENTRATIONS

The Foundation receives a substantial amount of its support from the federal government in the form of a U.S. Department of Housing and Urban Development grant. A significant reduction in the level of this support could have an effect on the Foundation's programs and activities. The funds from this grant award are accessed by the Foundation as needed up to 36 months from the date of the executed grant agreement. The funds are subject to audit by the respective grantor and various other governmental agencies. Management is of the opinion that no material liability will result from such audits.

The Foundation is a small non-profit organization located in Tallulah, Louisiana. Substantially all of the students assisted by the Foundation are local residents.

NOTE 5. RELATED PARTY TRANSACTIONS

The Foundation provides financial assistance exclusively to students attending the Tallulah campus of Louisiana Technical College. Total assistance provided to students during 2005 totaled \$3,150.